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DESIGN FOR DEVELOPMENT: Northwestern Ontario Region

Phase 2: Policy Recommendations

Report and Presentation Remarks

The Government of Ontario/October 1970



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PRESENTATION OF

DESIGN FOR DEVELOPMENT:

NORTHWESTERN ONTARIO REGION

OCTOBER 13, 1970

Address by:
Honourable I. Haskett,
Minister of Transport.

The establishment of transportation links from Lake Superior to the Red River for the purposes of trade and defence was of prime significance in opening up Northwestern Ontario in the late nineteenth century and in stimulating the region's first lumbering industries. I want to describe now how the Government of Ontario hopes to provide new transportation and communication networks which will stimulate a new era of development for Northwestern Ontario.

In a vast and sparsely settled region such as this, the importance of adequate transportation is paramount. A good communications network also can contribute substantially to development by providing a climate to attract new industry and encourage development in both the social and economic fields.

Throughout much of Northwestern Ontario, we recognize that isolation, long distances between centres, high costs of moving goods and inadequacies in the communications system are presently inhibiting both economic and social development.

Our objectives, therefore, are basically concerned with the increased accessibility mentioned by Mr. Gomme. Investment in transportation and communications can serve as a vital tool in shaping the form of regional development by providing the most effective combination of transportation and communication modes to meet regional needs, while at the same time assisting

to structure future growth. The highway proposals have been designed to meet these objectives. We now propose the following recommendations concerning air transport:

. The Primate and Strategic "A" centres of opportunity should be linked by a regional air service. It is further recommended that the regional service be extended to include Primate and Strategic "A" centres in Northeastern Ontario and that the entire system be closely integrated with connecting flights between Toronto, Montreal, Thunder Bay and Winnipeg.

. The existing policies and plans of the Provincial Department of Transport's "Highways in the Sky" Program are in accordance with the Regional Development Program, but efforts should be intensified to complete the system.

. The Ontario Government should establish sliding formulas which could enable municipalities designated for airstrips under the "Highways in the Sky" Program to carry their fair share of costs of air strip development and maintenance.

. Air freight facilities should be developed fully to meet the needs of new economic developments in the Primate and Strategic "A" centres of opportunity.

So much for the physical aspect of increased accessibility. In addition, we recognize that provision for better movement of persons and goods is one of the basic objectives of transportation

planning. We therefore aim to reduce the time and costs incurred in moving goods and people within the region and between the region and external markets.

As pointed out in the National Transportation Act, each mode of transport, so far as is practicable, should bear a fair proportion of the real costs of the resources, facilities and services provided at public expense. An analysis of transportation costs in Northwestern Ontario, in terms of the present and future needs of the region, is presently being undertaken by Wilbur Smith and Associates, consultants to the Regional Development Branch. In the same connection, we are further recommending that:

. The Ontario Government should initiate feasibility studies of technological change which could improve efficiency and reduce the time/costs involved in transporting bulk commodities such as mineral products out of and into Northwestern Ontario. Such changes could involve centralized loading and off-loading facilities, unit trains, and/or containerization.

Our final overall objective for Northwestern Ontario is to provide comprehensive communications planning for the region. It is often suggested that the great distances between centres in the north is a major cause of the lack of development. In fact, the obstacle is often the lack of a sophisticated telecommunications network rather than the physical separation. I have already mentioned that a good communications network can contribute very

significantly to the economic and social development of a region. Many industrial and commercial concerns are reluctant to locate where they cannot secure a complete range of services, including not only newspapers, telephones, radio and television, but also more advanced facilities such as computer data processing and transmission, and microwave systems.

As steps toward the amelioration of such conditions in Northwestern Ontario, we are recommending that:

. There should be established a central radio and television centre in Thunder Bay which would emphasize Ontario and Northwestern Ontario news content and extend such content into all parts of Northwestern Ontario through existing repeater stations.

. There is an obvious need for, and early steps should be taken to develop, an improved integrated two-way radio system operating 24 hours a day to link remote settlements located in the Patricia Portion and in other territory north of the Canadian National main line.

As a further step in explaining our proposals for development in Northwestern Ontario, the Honourable Darcy McKeough, Minister of Municipal Affairs will speak of regional government and its relationship to regional development.

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PRESENTATION OF
DESIGN FOR DEVELOPMENT:
NORTHWESTERN ONTARIO REGION

October 13, 1970

Address by:

Honourable George Gomme
Minister of Highways.

I am sure ladies and gentlemen, that it is unnecessary to point out to you that Northwestern Ontario is one of the most sparsely populated areas of the Province of Ontario. Some 6,000 miles of King's Highways, other provincial roads, industrial and township roads and urban streets are spread very thinly across the vast 203,000 square mile area of the region. While the existing settlement pattern has made it possible to serve most communities through the construction of a limited number of highways and railways, we recognize the ever-present need to improve and expand existing facilities.

In the North, as nowhere else in the province, the dependence of future economic development upon the future transportation network is both basic and crucial. In Northwestern Ontario, the task of the Department of Highways is, like the region itself, large, and we are constantly reviewing the countless road proposals which come our way.

Our objectives, within the overall strategy of Moderate Expansion which the Government of Ontario is proposing for the development of Northwestern Ontario, are concerned with increased accessibility throughout the region: we aim to increase accessibility between centres of population; to the natural resources; between centres of population and airports; and between centres of population and recreation areas.

To realize these objectives, a number of recommendations have been made which will require extensive study and negotiations with the parties concerned. Three proposals are now being considered that will improve the linkages between growth centres in the region. These are:

- . The continued upgrading of Highway 71 (Fort Frances to Kenora);

- . A road is being built northerly from east of Fort Frances that may eventually connect to Highway 11 near Dryden. Alternate lines will be studied with the intention of providing improved road access between these centres;

- . Terrace Bay and Geraldton are two growth centres that now have somewhat limited type of road service between them. This is also being given careful study.

Three other major roads are under construction or have recently been improved. These are:

- . Balmertown northerly to North Spirit Lake;

- . Extension of the road northerly and westerly from Central Patricia;

- . Extension and improvement of the Spruce River Road from Thunder Bay north to Armstrong.

Other roads have been shown as recommendations in the report.

These will require extensive investigations before work will proceed.

You will appreciate, ladies and gentlemen, that the list of work is extensive and that this will require large expenditures and considerable time to accomplish. You may also be aware of the work of a Committee of the Ontario Government known as the Northern Ontario Resources Transportation Committee, that studies these matters and new ways of improving transportation in Northern Ontario. This Committee is under the chairmanship of the Honourable Allan F. Lawrence, Minister of Mines and Northern Affairs.

The next speaker is my colleague the Honourable Irwin Haskett, Minister of Transport, who is also a member of this Committee. He will discuss other recommendations concerning transportation and communications.

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PRESENTATION OF

DESIGN FOR DEVELOPMENT:

NORTHWESTERN ONTARIO REGION

OCTOBER 13, 1970

Address by:
Honourable J.A.C. Auld
Minister of Tourism and Information.

In emphasizing my own pleasure in participating in the unveiling of the Province's plan for the development of Northwestern Ontario, I share with my colleagues the enthusiasm of having participated in full interdepartmental collaboration in resource conservation and development.

For many years, our two departments have been working together in the application of multiple-use policies to achieve the outstanding tourism and recreational potential of Northwestern Ontario. This partnership is perhaps best exemplified in our current collaboration, together with other provincial government departments, in the preparation of the Tourism and Outdoor Recreation Planning Study for the province. Incidentally, we are proposing a regional plan of this type for Northwestern Ontario, to fit within the master plan - but more of that later.

I am certain that Rene will join me in saying that this common experience has completely convinced us of the desirability - perhaps even of the inevitability - of the type of government-wide coordination epitomized in today's presentation.

In reaffirming the high priority given to the expansion of the natural resource sector, let me illustrate the unique contribution which the tourism and recreation industry can make in extending employment opportunities within this region. The plan

emphasizes, rightly I believe, the importance of increasing the degree to which our natural resources are processed within the region, and within the province. My own department considers the development of today's new multi-activity recreational complexes, offering a vast variety of attractions to meet every combination of tourist demand, as a form of a higher "processing" of the region's natural resources that this development plan recommends.

You will notice that proposals for the location of such recreational complexes within Northwestern Ontario are prominent among our recommendations. And you will see how a good many new jobs in the service industries, a minimum of from 8,000 to 10,000 as proposed by this plan for the next 20 years, will be in tourism, where they will provide important employment opportunities for the more remote communities of the region.

In recognizing our responsibility for promotion and tourist development, we are fully cognizant of differences in the sub-regional resource base and in the resulting patterns of tourist behaviour. With this in mind, let me briefly list the recommendations which are primarily directed towards expansion of the tourist industry and with which we of Tourism and Information would be actively involved with you and with other government departments and agencies.

Major integrated recreational complexes, featuring camping, golf, swimming, boating, skiing, fishing and

hunting should be established at key locations in Northwestern Ontario. It is suggested that sites be investigated, and if warranted, acquired or reserved on the eastern shore of Lake-of-the-Woods, on Eagle Lake near Vermilion Bay, on or near Minnitaki Lake south of Sioux Lookout, on accessible areas of the western shore of Lake Nipigon, on the eastern shore of Lake Nipigon near Beardmore, and on the north shore of Lake Superior between Pigeon River and the Slate Islands. Such development should encourage the widest availability of facilities to the public and the substantial return of benefits to the Region itself, and could involve joint efforts of the government and the tourist industry.

Integrated and varied "tour packages" should be initiated and promoted to take maximum advantage of all types of recreational attractions and to extend the average visitor stay in the region.

Major tourist events should be developed in Northwestern Ontario which would attract large numbers of people from many parts of Canada and the United States. As examples, these events could include an international winter sports competition, and a summer voyageur festival, taking advantage of the recreational resources of Thunder Bay and elsewhere. Full advantage should be taken of the unique historical characteristics of Northwestern Ontario. (As one example here, I would like to point out that the Department of Tourism and Information is

presently examining the feasibility of reconstructing old Fort William.)

. The north shore of Lake Superior should be developed as a major cruising area, encouragement being given to the establishment of marina facilities, marine-oriented hotels, and on-shore recreational diversions.

. To utilize more fully the historical and environmental qualities of the International Boundary Waters, the Pigeon River and the Lac-la-Croix-Rainy Lake-Rainy River systems should be developed for canoeing and other wilderness recreation.

. The wilderness qualities of the area lying between Lake Superior and Rainy Lake, especially Quetico Provincial Park, should be carefully preserved. Woods cutting operations should be closely controlled in all areas which have high recreational values.

. A regional recreation tourism plan should be prepared within the context of the Tourism and Outdoor Recreation Planning Study for the Province.

. To ensure that future development does not needlessly despoil Northwestern Ontario's recreation base and to facilitate research into all types of land use and capability, Ontario Land Inventory data for all parts of the region should be collected and analysed as soon as possible, to provide the

basis for land use plans in the region.

Here let me add, for the same purpose of ecological protection, my Department's strong support for the priority being given in this plan to the recommendation that measures to prevent and reduce air and water pollution should be intensified.

And now, to discuss the need for increased accessibility throughout this vast region, including accessibility to the recreation areas I have been speaking of, is the Honourable George Gomme, Minister of Highways.

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PRESENTATION OF

DESIGN FOR DEVELOPMENT:

NORTHWESTERN ONTARIO REGION

OCTOBER 13, 1970

Address by:
Honourable Rene Brunelle
Minister of Lands and Forests.

I am very pleased to be back in Thunder Bay and to join in the launching of this development plan for Northwestern Ontario.

This isn't the first or last time we will meet to secure common agreement on the destiny of this - "the greater half of Ontario." Numerous conferences have been held in Northwestern Ontario to discuss regional problems of potential and to examine ways in which government programs may be brought to bear to alleviate such problems and to plot the course of Northwestern Ontario's economic and social development.

Judging from the fact that deputations from Northwestern Ontario call regularly upon the Prime Minister and the Cabinet, we know that you, the people of Northwestern Ontario, are faced with problems in your day-to-day business and personal lives, problems which demand the attention of government. While we have always responded to those appeals, this is the first time the provincial government has reported back to you with a comprehensive plan to rectify problems of a regional nature and to steer economic growth with greater certainty than in the past.

You have heard so far an emphasis on the role of the urban centre in the regional development program. I heartily concur in this, because to secure the greatest benefit for the largest number of people, we must focus economic and social

investment in the places where it has the best chance of success.

But this does not mean that we are neglecting the problems of the rural population, or that we have forgotten that the bountiful natural resources of this region exist in the non-urban areas. Unlike the example set by some of the emerging nations, we in Ontario have no intention of pursuing urbanization at the expense of the natural environment, which we recognize as one of Northwestern Ontario's greatest assets.

The development strategy underlying our policy recommendations is intentionally a balanced commitment which recognizes that the strength of the primary or resource-oriented sector of the economy should be maintained and intensified. Not only are our smaller municipalities dependent on a healthy and expanding resource economy, but the growth of the urban centres also relies on the products of resource industries.

The strength of the forest-based industries in Northwestern Ontario is obvious. About 70 per cent of the total manufacturing employment works within the pulp and paper, sawmilling, plywood and veneer industries. Secondary employment in the forest-based industries has remained fairly static during the 1960's, because of depressed conditions within the industry, because mills were operating below capacity, and because of increased mechanization especially in the woods operations. Most forest species are underutilized. In aggregate, the allowable

cut greatly exceeds actual cut; nevertheless, the pulp and paper firms are having to go increasingly farther afield for wood because closer supplies have been largely exhausted. Higher costs are therefore incurred in hauling wood to mills, and this may eventually become a critical factor in their competitive position, relative to producers in other regions.

Rising world demand for pulp and paper has led to an increased production and to the expansion of one mill so far in Northwestern Ontario and to the possible expansion of yet another.

Expansion of industry will probably be continuous over the next 20 years, with an estimated minimum of 5,000 new jobs being created. Further there are adequate wood supplies to support at least one or two additional mills in Northwestern Ontario, particularly in the Northwestern part of the Region.

I should point out that department projects and policies in the outdoor recreation and land management areas are of joint concern to several departments and my colleague, the Honourable James Auld will describe them in his presentation.

I will now describe briefly the specific recommendations relating to the resource development activities of the Department of Lands and Forests. We intend to emphasize these in carrying out the development plan for Northwestern Ontario:

The Ontario Government, in cooperation with the federal government and private enterprise, should continue to enhance the competitive position of the forest products industries on an equitable basis by:

- A. Financial assistance in plant modernization;
- B. Financial assistance in plant expansion;
- C. Better utilization of exportable forest resources through a continued program of timber limit reallocation;
- D. Financial assistance in access road construction.

. Studies should be renewed concerning the feasibility of locating at least one new pulp and paper mill in Northwestern Ontario. Priority should be given to areas where existing timber resources are underutilized and environmental quality can be maintained.

Feasibility studies should be made regarding further development of the lumber, plywood, veneer and other wood products industries in Northwestern Ontario, using in particular underutilized forest species.

Particular attention should be given to the possibility of integrated wood-using industries, particularly in Strategic "B" communities, if studies in these areas demonstrate economic feasibility. Examples of such communities are Geraldton, which is a Strategic "A" community, Manitouwadge,

Atikokan, Sioux Lookout and Red Lake which are all Strategic "B" communities.

Related to the previous two recommendations, it is further proposed that government and industry jointly develop special training programs for people in remote areas to increase their opportunities for steady employment in mechanized woods operations and in the mills. This recommendation would be of particular importance to the Indian population especially those living in remote areas.

Finally, the government believes that existing incentive programs, both federal and provincial, should be broadened to include mining, primary forest industries, utilities and those service industries such as tourist outfitters which can demonstrate potential for growth in employment.

The latter policy concerns, of course, both my Department and the Department of Tourism and Information, headed by my colleague, the Honourable James Auld. It appears imminent appropriate therefore, to ask Jim to continue this presentation by describing our program for expanding the Northwest tourist sector - a renewable resource of almost equal concern to both our departments.

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PRESENTATION OF

DESIGN FOR DEVELOPMENT

NORTHWESTERN ONTARIO REGION

OCTOBER 13, 1970

Remarks on selected recommendations by:
Honourable Charles MacNaughton
Treasurer of Ontario and
Minister of Economics.

In my opening address I mentioned that, through mutual efforts by the public and the government, we have arrived at a number of goals and objectives for the alleviation of problems and the achievement of regional potential. Our policy recommendations fall into such general categories as economic development, transportation and communications, community and regional environment, education, health and social services.

Let me outline in more detail the recommended strategy. First, we wish to make a major effort to create employment opportunities for the Region over the next 20 years. Jobs, however, are not unrelated to the character of economic life and the quality of life which the people of this Region may wish to achieve. Our primary objective is to accelerate population trends of the past few years. How far this process should go is a matter for the people of this Region to decide.

Over the next 20 years we expect to add at least 18,000 new jobs as an absolute minimum. This would mean a population increase of over 20 per cent above the projected 1971 figure for Northwestern Ontario of 233,043 people.

We believe that it is feasible to expect, within the immediately foreseeable future, as many as 24,500 new jobs and a corresponding

population increase of 30 per cent over 1971. We are aware, more than ever before, of the urban problems that accompany the growth of population and economic activity. However, we believe that optimally it should be possible, in co-operation with the federal government and with local levels of government and the private sector, to achieve as many as 54,000 new jobs over a 20-year period. This would mean a population increase of nearly 70 per cent over the projected 1971 figure for Northwestern Ontario.

Where will these jobs be? If we use the 18,000 minimum for purposes of illustration, we expect to see at least 8,000 created at the Primate centre, Thunder Bay; at least 1,500 at each of the Strategic "A" centres: Kenora, Fort Frances, Dryden and Geraldton; and at least 250 new jobs at each of the Strategic "B" centres: Sioux Lookout, Red Lake-Balmertown, Rainy River, Atikokan, Red Rock-Nipigon, Terrace Bay, Marathon, and Manitouwadge. We expect that the remaining 2,000 or more new jobs will arise in parts of the region which lie outside of these 13 centres of opportunity. For example, several hundred people will be employed when the iron deposits are opened up at Lake St. Joseph, Anaconda and North Spirit Lake. These are so far away from existing centres that new communities must develop. Obviously, there is also the possibility that major new resource discoveries may stimulate population growth elsewhere.

Second, in planning the location for industry, first priority should be given the Primate Centre; second priority to the Strategic "A" centres; and third priority to the Strategic "B" centres.

Third, in each of the above centres, equal attention should be given to the development of the social infrastructure, which includes health, education, social, cultural, recreational and government services. All centres of opportunity in Northwestern Ontario should benefit equally from such development, insofar as it is economically feasible.

Fourth, we intend to promote the diversification of the economy through attracting new types of manufacturing and service industries, but only those that are suited to the conditions of this region.

Fifth, we believe that the strength of the primary and resource-oriented sectors of the economy (wood industries, mining, tourism), should be maintained and strengthened wherever and whenever possible.

Sixth, the more advanced phases of resource processing and manufacturing should be encouraged to locate in Northwestern Ontario, where economically feasible.

Seventh, transportation and communications should be improved in Northwestern Ontario, and between this region and the rest of the province. The five major foci for such developments should be the Primate and Strategic "A" centres.

Finally, the implementation of regional government or municipal consolidation, wherever there is a demonstrated need for it, should accompany the implementation of the regional development plan.

These are the eight main guidelines behind our proposed strategy of moderate expansion in Northwestern Ontario. I would hasten to allay any fears of those who do not live in any of the 13 centres of opportunity - this program is carefully balanced between urban-centred growth and the needs of the rural areas and small municipalities. In a few moments you will hear from my colleagues, the Honourable Rene Brunelle, Minister of Lands and Forests, and the Honourable James Auld, Minister of Tourism and Information, each of whom will detail some of the specific policy recommendations that effect urban centres, rural areas and the natural environment.

But before turning over the floor to these gentlemen, I want to describe some of the major policy recommendations contained in Design for Development: Northwestern Ontario. These, I believe, will provide the framework within which the program will move forward.

Mr. Watson outlined the problem of the slow rate of population growth and the movement of people out of the region. These are related to the lack of employment opportunities and of certain other amenities. There has been little incentive to keep young and skilled people in Northwestern Ontario or to attract new families. Therefore, as a general policy, our first recommendation is as follows:

. The federal and Ontario Governments should seek ways and means of offering substantial incentives for the establishment of new industry in Northwestern Ontario to complement the policy of the federal Department of Regional Economic Expansion. It is recommended that, under the programs of the Northern Ontario Development Corporation, primary industry and certain tertiary industries qualify for loans. The Province should undertake discussions as soon as possible with the federal government on the best way of ensuring federal financial aid and program participation in the implementation of this proposed regional development program.

Now getting down to specifics, we make 24 recommendations

concerned with economic development alone. I will not attempt to read each of these, but they include:

- . The intensification of airborne geophysical and geological surveys to facilitate the discovery of new mineral deposits;

- . The constant reviewing of the taxation position of the mining industry to ensure its competitive position in world markets;

- . The bringing into production as soon as possible of mineral deposits of proven economic grade and size;

- . The possible establishment of a smelter or refinery at Thunder Bay, provided developments in the mining industry materialize as expected;

- . The improvement of transportation cost/rate structure, providing that studies soon to be completed warrant such improvement;

- . The creation of a better "climate" for industrial development by providing, for example, industrial sites, water and sewer capacity, power and transportation facilities, industrial advisory services and promotion.

These are a few of the recommendations concerning economic

development. My colleagues will describe several others in a few moments, related to forestry and the wood-using industries, the tourist and recreation industries, transportation and communications.

But equally important as the stimulation of Northwestern Ontario's economy is the provision of a better quality of life, especially in the smaller municipalities and the isolated settlements of the unorganized areas. We intend to restrict the establishment of new communities in Northwestern Ontario for speciliazed purposes such as mining, unless they are absolutely necessary. In recognition that the shortage of housing in Northwestern Ontario is creating severe problems for a number of municipalities with regard to securing new employees, we propose that the Ontario Housing Corporation, in cooperation with the municipalities, initiate land assembly projects to provide an adequate supply of housing and that the H.O.M.E. Plan be implemented in the Primate and Strategic "A" communities. We would urge also that some provision be made to enable people living in the isolated communities to take advantage of loans such as are available under O.H.C.

We recognize that major differences exist in the quality of education and health services between the small, remote communities and the larger urban centres, and that many people living in the smaller communities must travel long distances for such services.

Although nothing can be done to shorten distances in Northwestern Ontario, we propose a number of programs under health, education and social services (a total of 27 recommendations) which will reduce the existing disparities and widen the availability of essential services for people living in the small communities.

Let me list a few examples of these proposed measures. Here are some excerpts under EDUCATION:

- . When isolated school boards are grouped for administrative purposes the more sophisticated types of teaching aids should be rotated among schools;

- . Television and other communications media should be used to extend good teaching facilities into isolated areas, if teachers themselves are unavailable;

- . Learning facilities such as movies should be made available on school buses;

- . In the remote schools, Indian language instruction should be given in the first few grades, and then English introduced. This would better enable children and parents to become familiar with the education process;

- . Diet supplement programs should be introduced at remote schools to ensure an adequate level of nutrition.

Among the proposals for HEALTH SERVICES are:

- . Develop appropriate specialist medical services, especially in Strategic "A" communities;
- . In remote areas, set up a reliable 24-hour tele-communications service to summon help in emergencies, for consultation, and for routine affairs;
- . Provide further nursing courses so that remote communities might be served by personnel trained to a level between that of a doctor and that of a nurse.

Finally, in the SOCIAL SERVICES, we propose:

- . To increase the number of family service workers and vocational rehabilitation workers to provide adequate social services;
- . At Lakehead University and the community colleges, to stimulate more courses useful for both social service and cultural application.

I have described only a few of the 69 recommendations contained in the report, Design for Development: Northwestern Ontario Region. I want to call now on the Honourable Rene Brunelle, Minister of Lands and Forests, to discuss some aspects of the report relating to his department.

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PRESENTATION OF
DESIGN FOR DEVELOPMENT:
NORTHWESTERN ONTARIO REGION

October 13, 1970

Address by:

D. Watson, Section Head,
Northeastern and
Northwestern Ontario,
Regional Development Branch.

Many of you will recall that the postwar years, well into the 1950's, were times of growth and expansion in Northwestern Ontario. This region was then firmly caught up in the wave of prosperity and the almost unprecedented rise in the demand for resources, manufactured goods and sophisticated services that characterized the North American economy.

We saw the expansion of the pulp and paper industry and the establishment of new mills, together with new towns, along the north shore of Lake Superior. Enterprising men achieved the difficult task of draining Steep Rock Lake, thereby introducing the iron mining industry into Northwestern Ontario. Gold mining in the Red Lake, Pickle Lake, and Little Longlac-Geraldton areas reached its peak in the late '50's, contributing millions of dollars to the national economy. Then in the mid-'50's the new town of Manitouwadge was created in the wilderness of the eastern Thunder Bay District, and the mining of base metals in Northwestern Ontario was born.

At the same time, our unequalled environmental qualities began to attract more and more people each year from the increasingly congested cities of the United States and Canada. In the '50's and '60's, new and better roads were built to facilitate these and other developments: the Trans-Canada highway was completed around Lake Superior, Fort

Frances and Atikokan were linked, and new access roads were pushed into the isolated northern areas.

Reflecting this economic expansion, the population of Northwestern Ontario increased fairly rapidly: by 79,000 from 1941 to 1961. Many more people were attracted into the region than were leaving it.

I do not want to suggest by all this that the development of Northwestern Ontario had a golden period and then came to an abrupt halt in the 1969's. Quite the contrary is true: The production of pulp and paper has continued to increase; mineral output has reached an all-time high; tourists continue to visit our region in the hundreds of thousands; manufacturing, especially in Thunder Bay, has shown good gains; and incomes have risen in step with the rest of the Province, albeit at a somewhat lower level.

Despite this record of progress, we find that Northwestern Ontario, comprising almost 60 per cent of the area of the province, has still only 3.2 per cent of its population. Moreover, during the '60's the population migration balance swung abruptly to the negative side: between 1961 and 1966, the region lost 11,000 more people than it gained. Projections based on past trends (and it must be stressed here that statistical projections are not necessarily inevitable) indicate that by the year 2000 Northwestern Ontario would number less than 300,000

people--this in a Province boasting perhaps 13 million. Furthermore, most future growth would occur in the District of Thunder Bay; only very slight increase is indicated for the District of Kenora, while the District of Rainy River would decline to about half its present population.

The reasons behind this phenomenon of net out-migration are many, but in large part it is due to the high degree of specialization of the regional economy. The major industries of Northwestern Ontario have reached the stage where they demand a fairly narrow range of occupational skills, which can absorb only a limited number of people entering the labour force. A great many young people once they have finished their education find themselves forced to depart to the south or elsewhere.

The distribution of population in Northwestern Ontario is also undergoing adjustment. Nearly all rural areas are losing population, while the urban centres are growing only slowly, or are stable. Almost half of Northwestern Ontario's people live in one city, Thunder Bay; 87 per cent of the total urban population live in the five largest centres: Thunder Bay, Kenora, Fort Frances, Dyrden and Atikokan.

Over one-tenth of the people are of Indian origin, and a large number of these live in small isolated settlements widely scattered across the northern part of the region. Here we note the most severe disparities--lack of job opportunities, unemployment, poor housing, inadequate health and education facilities, and so forth.

Population size, distribution and movement closely reflect the state of the economy. Northwestern Ontario's three dominant industries--pulp and paper, mining and tourism--are highly vulnerable to market conditions outside the region, particularly in the United States. During the summer of 1968, the Regional Development Branch carried out a detailed economic base study to measure these effects and to analyse various other factors affecting production both now and in the future. Among the findings of this survey were:

(1) The United States provided 53 per cent of Northwestern Ontario's export market; the rest of Ontario 24 per cent; the rest of Canada 21 per cent; the remainder of the world, 2 per cent.

(2) Communities in the western part of the region depend more heavily on U.S. markets than do those in the Eastern part, which is more closely tied with Southern Ontario markets.

(3) Most commodities are shipped from Northwestern Ontario to be manufactured elsewhere, and most of the inputs to industries here, except for "natural resources", must be imported.

(4) With the exception of tourism, the major industries in Northwestern Ontario are becoming increasingly capital intensive. Technological advance has meant a drastic curtailment in the demand for labour, for example in the primary forestry industry.

(5) The economy is adversely affected by resource depletion, such as exhaustion of mineral deposits or of productive forest resources. Communities wholly dependent on the extraction of such resources are eventually forced to find new kinds of industry or face decline.

(6) A major difficulty facing the development of manufacturing industries is distance from markets and the relatively high costs of transportation.

(7) In most communities the service industries are not well developed, usually because populations are small and widely dispersed. Thunder Bay is a service centre for the eastern part of the region, but Winnipeg performs this function for most of the districts of Rainy River and Kenora. An example of this pattern is specialist medical services, in which nearly all practitioners in Northwestern Ontario are concentrated at Thunder Bay.

(8) Incomes in Northwestern Ontario tend to be, overall, somewhat below the provincial average. There are, however, wide variations within the region. Manufacturing wages are substantially higher than the provincial average, and this is mainly due to the strength of the capital-intensive pulp and paper industry. Incomes in the mining communities are also somewhat higher than the regional average. Incomes are lowest in the rural agricultural areas in the Rainy River and Dryden areas, and in the isolated settlements of the north, where the majority of the inhabitants are Indians with average incomes of under \$1,000.

These are a few of the economic problems facing Northwestern Ontario, and one of the purposes of the Regional Development Program is to alleviate these, and others, so that full potential can be achieved. I might emphasize that our research has shown this potential,

particularly in the forest-based, mining and tourist industries, is very great.

Over the next twenty years, we can expect to see the pulp and paper industry expand substantially with considerable increase in employment. This will involve enlargement and modernization of existing mills, and the establishment of at least one new mill. However, increasing competition from other regions, such as British Columbia and the Southeastern United States means that Northwestern Ontario's pulp and paper industry, in conjunction with the Provincial and Federal Governments, must make considerable effort to rationalize costs, such as through modernization, timber-limit reallocation, reforestation programs, and access road construction. Similarly, the lumber, plywood and veneer industries are capable of considerable expansion, utilizing vast quantities of wood, such as poplar and birch, which presently are little in demand. Cooperative measures to facilitate this growth are equally applicable here.

Northwestern Ontario's mining industry also has a healthy future. Although the gold mining industry will continue to decline over the next ten years, development of known deposits of iron and base metals should create a minimum of 2000 to 3000 new jobs. Already we are seeing indications of this expansion in the Sturgeon Lake, Confederation Lake, and Shebandowan areas. The late 1970's and 1980's should witness extensive mining operations at Pardee Township, Lake St. Joseph, the Kowkash area north and east of Geraldton, and even as far

north as North Spirit Lake in the Patricia Portion. These indications may prove to be conservative if new discoveries are made in the future, and if the present rate of mining exploration is continued, new discoveries are highly likely. While the major momentum and capital behind the mining industry are forthcoming from the private sector, government participation and assistance is a necessary element. This includes government-sponsored geological and geophysical surveys, access road construction, townsite control, maintenance of a taxation policy which provides for a favourable balance between incentives to the industry and public revenues derived from it, and encouragement for the development of more advanced processing phases within the producing region. Our Regional Development Program depends to a considerable degree on such factors.

Perhaps the greatest unrealized potential lies in our recreational resources. As population in the highly urbanized areas of the United States and Canada increases, and as people have greater amounts of disposable income and leisure time, the clean air, water, scenery, and wildlife of Northwestern Ontario will undoubtedly attract greater and greater numbers each year. A number of problems are presently affecting the industry, such as its strong seasonality, shortage of development capital, limitations in road access, industrial pollution, and lack of diversity in recreational activities. The Regional Development Program proposes a number of measures to enable tourism to yield greater benefit to Northwestern Ontario, particularly

to the people who are permanently resident in the region.

The alleviation of these regional problems and the translation of goals and objectives into a comprehensive development program involves policy measures that are applicable to both urban and rural areas and policies which are concentrated in their implementation in urban centres of opportunity. I want to outline at this time the rationale behind the selection of thirteen centres of opportunity in Northwestern Ontario.

Because this region is so very large, and because long distances separate most urban centres, economic and social investment must be focussed in places most strategically placed to benefit the largest numbers of people in the region. Further, because the supply of labour, serviced industrial sites, adequate transportation facilities, housing, education and health institutions, and a great many other necessary services are found optimally only in the larger urban centres, this investment is bound to yield maximum benefit to the region as a whole only if it is focussed in centres of opportunity.

When considering which places to select in Northwestern Ontario, we applied twelve criteria to all communities of over 1,000 in population: Functional type of centre, trade area population, trade area size, wholesale sales, manufacturing employment, change in manufacturing employment, population growth and change, retail sales, accessibility, water and sewer capacity, provincial and federal government services, and economic growth prospects. Each of these measures

was scored for each of the fifteen centres of over 1,000 population. The aggregated scores were combined with an evaluation of the location and distributional characteristics of the centres, and a threefold classification of centres of opportunity was arrived at.

The first is the primate centre of opportunity, Thunder Bay. This city, because of its size, service infrastructure, location and potential for growth will provide, as far as is possible, the widest range of activities and opportunities on a regional scale. It offers the best opportunities for the establishment or expansion of manufacturing industries, and for the further development of wholesale and retail trade, communications, education, health and cultural institutions, and government services.

The second type of centre of opportunity is the strategic "A" communities. There are four of these: Kenora (including Keewatin), Fort Frances, Dryden and Geraldton. These places have been selected with the intention of encouraging the growth of forest-based and recreational industries, as well as those manufacturing and service industries that are suited to the community and that have a reasonable chance of success. Their location is such that they can influence a wide local area, and for this reason strategic "A" centres are encouraged to enhance such services as trade, communications, education, health and government.

The third type is the strategic "B" centres of opportunity.

These are as follows: Atikokan, Rainy River, Red Lake and Balmerton, Sioux Lookout, Nipigon and Red Rock, Terrace Bay, Marathon, and Manitouwadge.

Within the Regional Development Program, the intention is to prevent decline and to initiate moderate growth in the strategic "B" communities by encouraging the mining, forest-based and recreational industries, and by maintaining, wherever economically viable, developed specialized functions such as transportation and government services. Wherever possible, diversity in these functions is to be encouraged.

I should emphasize here that just over 90 per cent of all people living in Northwestern Ontario live in, or are within an hour's drive of, one or other of the thirteen centres of opportunity described. Development programs such as increased employment, construction of houses, schools, hospitals, and better cultural facilities, will benefit not only the centres proper but also the majority of people living in the Region.

Although there is considerable emphasis in this program on the centres of opportunity, we have not shoved aside the many problems facing the several thousand people living in the remote, widely scattered settlements of the Patricia Portion and northern Thunder Bay. Programs are being devised to reduce the stagnating effects of isolation, poor housing, and disadvantages concerning welfare, education and health.

This concludes the technical presentation of tonight's presentation. Mr. MacNaughton and other members of Cabinet will now outline some of the policy recommendations.

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PRESENTATION OF

DESIGN FOR DEVELOPMENT:

NORTHWESTERN ONTARIO REGION

OCTOBER 13, 1970

Opening remarks by:
Honourable C. S. MacNaughton,
Treasurer of Ontario,
Minister of Economics.

Tonight, I hope, will be the beginning of a new day for Northwestern Ontario.

We will present a plan to you this evening that I think has the potential to bring a new vibrancy to this vast region of Ontario. It can produce more jobs, more opportunities, more benefit for all of you who enjoy life in this rugged part of the province. We hope that, during the presentation, you will catch some of the excitement that we believe is built into this Design for Development.

Let me say first, however, that the fulfilment of this potential will not be achieved by the preparation or the approval of the plan we are presenting tonight. Its implementation will depend upon a common commitment by not one, or two, but all three levels of government. Its success will involve close coordination and cooperation by all the departments and agencies associated with the federal government, the Ontario Government and all forms of local government.

Even a total governmental commitment will not be sufficient, although I believe it can be a major and welcome achievement of this program. Just as important -- and I underline this -- will be the cooperation and assistance, the drive and initiative of all the people and all the enterprise in Northwestern Ontario.

Our ultimate goal, and one which we believe is possible, must be a full commitment by everyone associated with Northwestern

Ontario, whether they live and work in Thunder Bay or in Sioux Lookout, or in Ottawa or Queen's Park, toward achieving the exciting potential of this region.

Before we proceed to outline the recommendations, let me take a moment to provide some background on our Regional Development Program. We will then give you an outline of the problems and potential of this region, as we have analysed them with considerable help from many of you here tonight. My colleagues in the Ontario Cabinet will assist me in reviewing the recommendations which will be the highlight of this presentation. Finally, we will be delighted to receive the comments of your representative in the federal cabinet, the Honourable Robert Andras, who has been most interested and helpful in developing our program for this region.

Four years ago, the Government of Ontario began work on its Design for Development Program to guide, encourage and assist the orderly and rational development of each region of the province. Most of you here tonight are familiar with the program, and some of you have taken part in various stages of its work.

This is a province-wide program. Its fundamental purposes are to enhance the quality of life for the people of Ontario, to encourage private enterprise to prosper within a healthy and balanced community, to improve the effectiveness of governmental services in each region and to conserve our natural resources for the benefit of all of the people of the province.

As Prime Minister Robarts has pointed out, it is a far-reaching planning concept which will shape our future and that of our children and their children. It will influence where we choose to live, where we work and where we play. And above all, it will create in this great province of ours an atmosphere of orderliness and beauty that will satisfy the aspirations for human dignity and personal fulfilment in the hearts of us all.

I am sure no one will deny the importance and urgency of such an ambitious program. Since the Second World War, the enormous growth of Ontario -- of our population, our economy and our municipalities -- has greatly altered the province in which many of us grew up. Our population has more than doubled in less than three decades. By the year 2000, the population of Ontario is forecast to approach 13 million. In other words, we must prepare to accommodate another 5.5 million people in the next 30 years. At the same time, we must deal with the uneven distribution and change of population that is taking place in the province.

I am sure also that no one will deny that such a program will not be even moderately successful without much careful study of the basic forces and problems that have been shaping our environment and our economy.

First, we defined our provincial goals. Then we studied each region's economic, social and environmental characteristics. And finally, we identified the major problems of each region.

In order to do these things, we examined the entire province in the smallest geographical units possible -- down to the township, county or district level -- and compared the performance of each of these units to that of the province as a whole. The results of this work will be published early next year in an Atlas of Performance Indicators. We made use of all available relevant research data, from universities, federal and provincial departments and other agencies. At the same time, we began to develop an economic base study and land use study for each region, including Northwestern Ontario. In the case of this region the study was financed on an equally shared cost basis with the federal government under the Federal-Provincial Rural Development Agreement.

In addition, my Regional Development Branch people went into the field and interviewed manufacturers in the region. We collated and examined the data from these interviews to arrive at an analysis of industrial performance and expectation in the region.

But we talked not only to business men; we also held valuable discussions with industrial commissioners, town clerks, officials of Canada Manpower Centres, and a host of others. We also carefully studied the recommendations which were prepared by the Northwestern Ontario Regional Development Council and submitted in its final report to the Government of Ontario in February 1969. I want to acknowledge our debt to all those people who cooperated so willingly in our enquiry.

I must mention here another important segment of the population of the region -- that of native Indian origin. This program is designed to enable them, as much as anyone else in the region, to choose among a much wider range of economic and social opportunities. Many of their problems have been directly related to the region's development. We hope, with this program of planned development, to overcome such difficulties and that the Indian people will come to share fully in the benefits that will accrue to the people of Northwestern Ontario.

Having completed our research to this stage, we prepared our first preliminary report which was released last year. It presented an analysis of the region's economy and attempted to isolate the more important problems and constraints facing the region. Tonight we are presenting phase 2, our policy recommendations, which are designed to meet these and other problems. I want to stress now that these have not yet been adopted as policy. They are being presented to you and all the people of the region for your discussion and reaction. We want to know how you, the people who live and work here, feel about them.

I should now like to outline briefly the contents of this Phase 2 report of Design for Development: Northwestern Ontario Region. First of all, we have pointed out the major problems that exist in the region. These range from a net outward flow of people, a lack of job opportunities and lower than average personal

income, through the seasonal nature of the tourist industry and the increasing incidence of pollution to a lack of secondary manufacturing, need for improved access among communities and to natural resources, to the shortage of educational and health facilities in small, out-lying centres and a shortage of certain types of housing, especially rental.

We then studied all centres in the region which had more than 1,000 people living in them, and from these selected 13 centres of opportunity. These, plus many more of the technical aspects of the report, will be presented by Mr. Denis Watson of the Regional Development Branch in a few minutes. Mr. Watson heads one planning team which prepared this report. We feel that it is necessary to choose centres of opportunity in Northwestern Ontario because long distances separate urban centres which are potential sources of industry diversification, job opportunities and a range of social and cultural amenities. Mr. Watson will explain our position shortly in further detail.

We then endeavoured to set out goals for regional development in Northwestern Ontario which were compatible with overall provincial goals and constraints. Three general goals, the validity of which we recognize, were suggested by the Northwestern Ontario Regional Development Council in its final report. They are:

- (1) "To improve the quality of life in the northwest while maintaining the region's unique and desirable attributes",

(2) To provide a level of goods and services comparable to the level enjoyed by people in other areas of the province, such services being housing, education, health and recreational and cultural activities.

(3) To provide better economic and occupational opportunities, emphasizing (a) "a higher level of incomes particularly for the under privileged Indian groups of the area", and (b) "a substantial increase in the kind of jobs available..."

Our next step was to look at four general strategy alternatives, four ways in which the region could move in the next 20 years. We set out the advantages and disadvantages of each.

The first, of course, is that we should do nothing, simply let existing trends continue without an attempt to improve conditions. This is obviously unacceptable both to the people of the region and to the Government.

The second is to encourage people to move out of the region on the assumption that there is little hope for regional growth except in a few large urban centres. But the people who live in Northwestern Ontario choose to live here because they like it; they don't want to move out. And more important, the region's abundant natural resources require the presence of people to assure proper development.

The third possibility is to attempt rapid urbanization and industrialization by encouraging fast growth in a few centres. This would bring city congestion to the north. Even if this were economically feasible, we doubt that it would be acceptable to the people of this region. Who in the northwest wants to see the cities become overcrowded as they now are in the south?

The fourth, and the one we are recommending to you, calls for the promotion of moderate expansion, consistent with the capabilities and needs of Northwestern Ontario. I believe this is a realistic choice which matches our financial resources to your potential and which allows you to prosper in this climate and environment without creating major problems. There are five assumptions underlying this recommended alternative:

- (1) It is in the best interests of the province to encourage growth of the population and economy wherever possible in Northwestern Ontario;
- (2) Development should be focused on strategically located centres of opportunity in the region;
- (3) The regional economy should be diversified;
- (4) The movement of people out of the region should be stemmed, although relocation of people from depressed areas to centres of opportunity should be encouraged; and
- (5) The transportation and communications network should be improved throughout the region.

Our analysis shows that the region is capable of increased growth on a moderate scale, particularly in the more developed urban centres.

This pattern of growth would not be inconsistent with the growth patterns already developing in the region, and more important, it would not interfere with the quality and patterns of living valued so highly by the people. Indeed, we expect that such a pattern -- moderate expansion in selected growth centres, diversification of the economy and carefully planned growth -- would enhance economic opportunities and desirable life styles in many of the areas now facing decline or stagnation. In addition, young people should find better employment opportunities at home, and thus not have to leave the region.

After Mr. Watson has discussed the problems and potential of the Northwestern Ontario Region, my colleagues and I will present our recommendations - 69 in all - to you. The Honourable Rene Brunelle, Minister of Lands and Forests, will discuss the proposals on forestry and the forest-based industries; the Honourable James Auld, Minister of Tourism and Information, will talk about those dealing with tourism and recreation; the Honourable George Gomme, Minister of Highways, will discuss improved roads and new access roads; the Honourable Irwin Haskett, Minister of Transport, will speak of other transportation matters and communications; and the Honourable Darcy McKeough, Minister of Municipal Affairs, will talk

of regional government and its relationship to regional development. I will then summarize the remaining recommendations.

I want at this time to convey our appreciation to one more speaker on our program tonight. The Honourable Robert Andras, Minister without Portfolio in the Federal Government and Member of Parliament for Thunder Bay, deserves recognition for the assistance provided by his Government in carrying out the study of Northwestern Ontario. Mr. Andras was one of the prime movers in getting this project underway.

Before proceeding with the presentation, I want to re-emphasize that the policy recommendations we are bringing you tonight are not proposals that are being imposed from on high. They are not being prepared by the Government of Ontario acting alone. Major efforts have been made to incorporate the recommendations of the people of the region, for the best knowledge of regional needs can often be determined only by those who are in day-to-day contact with local problems and aspirations. As I have said earlier, we have made extensive use of the Northwestern Ontario Regional Development Council's own five-year program recommendations and the report of the Northwestern Ontario Regional Advisory Board.

I wish to emphasize also that, while the recommendations refer specifically to the Northwestern Ontario Region, our work in the Northeastern Ontario Region is proceeding rapidly and is coordinated with the effort on this and other reports. In fact,

many of the general recommendations will apply in Northeastern Ontario.

And now, what does the report say? I should like, if I may, to call upon Mr. Denis Watson, to outline with the aid of some slides we have prepared, some of the major problems and potentials set out in the report.

PRESENTATION OF

DESIGN FOR DEVELOPMENT:

NORTHWESTERN ONTARIO REGION

OCTOBER 13, 1970

Address by:
Honourable W. Darcy McKeough,
Minister of Municipal Affairs.

You have heard the background and an explanation of the proposed development plan for Northwestern Ontario. It is my job to discuss where we go from here, particularly in terms of municipal government.

The Ontario Government has been urging municipalities to plan for many years now -- and sometimes we may have gone a little beyond mere urging. Some municipalities have responded, and some have not. Often where the need for planning has been acknowledged, the argument has been raised that the municipal structure has been inadequate to carry out effective planning programs. We recognize this and are seeking solutions through our Municipal Reform Program.

Another criticism has been that the Province itself has failed to provide adequate guidelines as a basis for municipalities to carry out their planning programs. Today's presentation of policy recommendations for Northwestern Ontario will provide the kind of guidelines that are needed by the municipalities in this region, by the Province for coordinating its own programs and activities in this region, and by the private sector.

These recommendations are the second stage in planning for this region. The Province has carried out a series of studies in which relevant information was assembled and analyzed. This enabled us to identify some of the most important development

problems in the region. We have now agreed upon a policy approach that seems best suited to achieving the goals we have set for the region.

It would be in some ways tempting to declare these policy recommendations to be the "Official Plan" of the region right now, so that municipalities, private entrepreneurs, and provincial agencies might proceed with their own plans and programs on the basis of a formally recognized plan of development. But this would deny an opportunity for those primarily affected by these policies in the region to respond to the proposal -- to consider the recommendations in terms of their own interests and to make known how it would affect them and what the best ways of carrying it out would be.

However, we do have something now, in the form of the recommendations presented here today, against which to test the proposals of municipalities and private interests. The Province intends to use this policy proposal as a set of reference points in considering official plans, official-plan amendments, proposals for sub-dividing land, and any other applications submitted for approval. It would seem reasonable to expect all such proposals to be consistent with the regional development proposals.

This will not be a one-way street of course. The provincial departments and agencies such as OWRC, Ontario Hydro,

Department of Highways, Ontario Housing Corporation and the Northern Ontario Development Corporation have recognized the development policies for the region, and will adjust their plans and programs to conform to them.

Local government reform is an integral part of our Regional Development Program. The reason for this is becoming clearer every day. If local government is to be a full participant in the planning and development of our regions, it must be strong enough to exercise real power. Only in this way can we be sure that communities will have a significant influence on the regional economic decisions affecting them.

One needs only to consider that there are forty-six municipalities with widely varying administrative, financial and other economic resources to raise the basic question: If you agree with the broad policy recommendations presented today, do you have the local government structure to take hold of them?

Under the existing system, a number of the municipalities in the region are unable to perform even the most basic tasks of providing local services. This weakness forces municipalities to make decisions that are not in the best long-run interests of their own communities. To expect this municipal system to meet the challenges of the future without basic reform is unrealistic.

The Province has not adopted the same approach to local

government reform in all parts of Ontario. We rely heavily upon local initiative and cooperation in this program of reform. We have tailored the solutions to the special problems and circumstances of the various areas as identified in large part by the people of the region.

The entire question of how to tailor local government reform to the needs and circumstances of Northern Ontario has been examined by the Interdepartmental Committee on Government at the District Level in Northern Ontario. The report of this committee was made public in August, 1969, and the government will not be making any decisions on changes until all viewpoints have been fully expressed.

Recommendation 4.1 states that "Regional or district government and municipal consolidation should be implemented in those parts of the Northwestern Ontario Region where it is desirable". We hope you will tell us in the months ahead what changes in local government structure are necessary here and the kind of structure you need in Northwestern Ontario. I understand that the Regional Government Committee of the Northwestern Ontario Municipal Association will be meeting on the 25th of this month and it is my hope that their eventual report will be a basis for local government reform in this region.

It may well be that regional government is just not

applicable here because of the immense practical difficulties. But I think that the "municipal consolidation" component of our reform program may have very real relevance to Northwestern Ontario. The new City of Thunder Bay provides an example of the benefits that can accrue from consolidation of municipalities which are close together and face common problems. The plan presented today provides further reason to give very serious consideration to substantial consolidation throughout the whole Northwestern Ontario Region.

Those twelve areas designated as strategic "A" and "B" centres have immediate reason to study consolidation. Larger, stronger municipalities would be in much better position to play a full partnership role in implementing the plan. Consolidation would provide a greater administrative capacity, a better sharing of assessment revenue and a stronger financial base for the construction of the serviced industrial parks called for in Recommendation 2.13. They would also enable the local politicians to decide on a more rational basis where these industrial sites should be located; competition for industrial assessment would no longer be a major factor affecting location and the whole community would benefit.

Moreover municipalities, as well as the Province, would be well advised to consider the problem of administering territory without municipal organization. For their part, municipalities

should consider including in the municipality a certain amount of unorganized territory around their boundaries. This would enable them to obtain any assessment in those areas, and, more important, it would enable them to control the undesirable spillover kind of development into unorganized areas which pose such problems in providing services.

The Province clearly has a responsibility for those huge areas which cannot practically be included in municipalities. This is a very large responsibility indeed and we must develop more effective means of administering these areas.

I think now it will be quite clear to you that I see local government reform as an essential element in the success of the regional development planning process we have outlined. We now have one restructured municipal system in Northwestern Ontario and we will have more over time. It would be fine if we were dealing right now with fewer and larger municipal governments because this would strengthen greatly the local community input to our Northwestern Ontario Regional Plan.

However, this is not the case in the short run -- we must work with the present system for now. In the follow-up to today's presentation, we want full local community involvement as expressed through the municipal system and also the larger regional viewpoints to be expressed by the Northwestern

Regional Development Council. After this, once our plan has been adopted it will require amendments to reflect changing circumstances. We should end up with a hierarchy of plans, with the policies for the Northwestern Ontario Region being broader in its terms than the plans for the municipalities. Each municipality will perform the function of refining the broad generalities of the larger plan in working out the official plan for the municipality. It will also be one of the first to bring home to the Ontario Government, Regional Development Councils and other participants, the need for adjustments to the development concept as circumstances warrant.

Unless we have an efficient, revitalized local government structure that will permit adequate and effective representation of concerns, needs and aspirations, the Province will have to move in and fill this void. In my view this would be totally unsatisfactory.

To successfully implement the policy recommendations presented today it is absolutely imperative that we have full participation by the local municipalities, the Regional Development Council and the many other people having a vital stake in the present and future of this region.

In closing, I want to emphasize the most important

element that is implicit throughout our announcement today:
That is, our regional development recommendations are aimed at enhancing the quality of life for people in this region. When we use certain technical terms such as strategic growth centres, and municipal government structures ... when we use these rather dry and impersonal terms what we are ultimately talking about is providing better service and a better life for our citizens.

The Northwestern Ontario Plan detailed here today is deliberately designed to provide this better service and to provide an enriched life in all its dimensions - not only for our generation but for our children and grandchildren as well.

I am confident that we will achieve this objective by working together in a spirit of positive and creative cooperation.

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PRESENTATION OF

DESIGN FOR DEVELOPMENT:

NORTHWESTERN ONTARIO REGION

OCTOBER 13, 1970

Closing remarks by:
Honourable Charles MacNaughton,
Treasurer of Ontario and
Minister of Economics.

From the preceding speeches, I know that you now appreciate that three levels of government have a keen interest in Northern Ontario. Although it has not been possible this evening to present to you every single recommendation which has been agreed upon, these are spelled out in detail in the report itself. I will limit my concluding remarks this evening to the follow-up procedures.

Before doing this, I want to emphasize once again that these are policy recommendations for an action program. True, we are asking you to examine them once more to be absolutely certain that we are in agreement on most of them. But make no mistake about it, the province has a commitment to the Regional Development Program and, I assume from the remarks this evening, we can expect a keen interest on the part of the federal government in assisting us to reach these objectives.

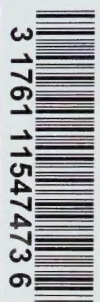
I am asking the Northwestern Ontario Regional Development Council to hold meetings in communities throughout your region. I ask you to review the report carefully before coming to these meetings. In particular, we want very much your comments on both our general suggestions in Chapters 1 through 4 of the report being released this evening, and the specific recommendations of Chapter 5. We want your reactions, as far as possible, on a point-by-point basis. We shall be particularly interested in your responses to three questions:

1. Do you agree with each suggestion and each recommendation?
2. If not, which should be deleted, and what new suggestions or recommendations should be added?
3. For each respective district, what priorities - high, intermediate or low - would you assign to each suggestion and to each numbered recommendation in the report?

I am asking that a copy of your reactions be sent to the Northwestern Ontario Regional Development Council, Room 201, News-Chronicle Building, Thunder Bay, and another to me, by no later than January 31, 1971. Following that date, I shall be very pleased to receive from the Northwestern Ontario Regional Development Council its own views concerning the overall regional position.

This marks the end of our formal presentation. I would however, like to stress once more that this is a province-wide program, a program based on a partnership, cooperative approach for a better Ontario.

I am sure that some of you have questions. We of the Cabinet will be pleased to try to answer those questions, which we invite at this time. Mr. Andras has also indicated that he will be pleased to respond.



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